



SECTION-BY-SECTION ANALYSIS - SENATE BILL 1107
Conference Items
SCHOOL AID SUPPLEMENTAL, FYs 2001-02 & 2002-03



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ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
1	Sec. 6(4)(y) Declining Enrollment	For FY 2001-02 only, allows small, rural districts to use a 3-year blended membership if that results in a higher membership than an actual current year blend.	No change.	Extends this provision into FY 2002-03 with some minor calculation changes.	Extends this provision into FY 2002-03 for qualifying Lower Peninsula districts only.
2	NEW Sec. 6(4)(z) Pupils from a Closed Charter School	N/A	N/A	Allows a local district to count pupils in the Fall membership count at 100% if they were previously enrolled in a public school academy that closed at the end of the school year. (Current law provides for pupils to be counted at 80% in the Fall membership count.)	Concurs with the House, but adds that the public school academy must have been in operation more than two years.
3	NEW Sec. 8b Public School Academy District Codes	N/A	N/A	N/A	The Conference Committee inserts a new section requiring the Department of Education to assign a district code to an authorized PSA for the purposes of making state aid payments, and allows the Department of Treasury to do so if the DOE doesn't.
4	NEW Sec. 8c Broadband Survey	N/A	N/A	N/A	The Conference Committee inserts a new section requiring ISDs to conduct a technology assessment survey by November 1, 2002 regarding broadband infrastructure and services.

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5	Sec. 11 Total Appropriation	<p>School Aid Fund</p> <p>FY 2001-02 SAF appropriation of \$10,989,699,900.</p> <p>FY 2002-03 SAF appropriation of \$10,985,960,300.</p> <p>General Fund</p> <p>FY 2001-02 GF/GP \$205,613,500.</p> <p>FY 2002-03 GF/GP \$420,613,500.</p>	<p>School Aid Fund</p> <p>FY 2001-02 SAF appropriation of \$10,986,148,200.</p> <p>FY 2002-03 SAF appropriation of \$11,215,729,400.</p> <p>General Fund</p> <p>FY 2001-02 GF/GP \$199,813,500.</p> <p>FY 2002-03 GF/GP \$202,156,500.</p> <p>Concurs with Governor to add language stating that the GF/GP appropriation for FY 2002-03 shall be reduced by \$79,500,000 if legislation is not authorized to transfer this amount from the Michigan Employment Security Act Contingent Fund, Penalties and Interest Subaccount by October 1, 2002.</p>	<p>School Aid Fund</p> <p>FY 2001-02 SAF appropriation of \$10,982,648,200.</p> <p>FY 2002-03 SAF appropriation of \$11,235,242,400.</p> <p>General Fund</p> <p>FY 2001-02 GF/GP \$198,413,500.</p> <p>FY 2002-03 GF/GP \$198,413,500.</p> <p>Concurs with Senate, and further adds that the \$79,500,000 may be transferred from either the MESC account, or from the Budget Stabilization Fund.</p> <p>Adds intent language that the GF/GP appropriation shall be increased to \$420,613,500 in FY 2003-04.</p>	<p>School Aid Fund</p> <p>FY 2001-02 SAF appropriation of \$10,990,148,200.</p> <p>FY 2002-03 SAF Appropriation of \$11,240,941,400.</p> <p>General Fund</p> <p>FY 2001-02 GF/GP \$198,413,500.</p> <p>FY 2002-03 GF/GP \$198,413,500.</p> <p>Concurs with Senate, does not include reference to BSF.</p> <p>Does not include intent language that GF/GP grant will increase in FY 2003-04.</p>
6	NEW Sec. 11J Payments to the School Loan Bond Redemption Fund	N/A	Does not concur with the Governor to transfer from the Department of Treasury budget the funding (\$4,674,000 GF/GP, \$700,000 Local) to provide payments to the School Loan Bond Redemption Fund on behalf of local districts and ISDs.	Concurs with the Senate.	The Conference Report restores the section and its funding for FY 2002-03 ONLY.

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7	Sec. 18d Membership Disputes	Debts or financial obligations of districts owed to the State arising out of a membership dispute occurring before March 1, 1997 shall be forgiven.	No change.	Amends the language to state that a district with more than 6,500 pupils and a membership dispute from 1997-98 shall have its debts considered satisfied. It is thought that only East Detroit Schools qualifies, with a debt forgiveness estimated at \$637,000.	Does not concur with the House to include this language.
8	NEW Sec. 18e Expenditure of Funds in Detroit Public Schools	N/A	N/A	Prohibits the Detroit Public Schools from expending more than 10% of their general operating revenues on business and administration.	Does not concur with the House to include this language.
9	NEW Sec. 20(3)(b) Hold-Harmless Foundation Allowances	N/A	N/A	Allows for the foundation allowances of "hold-harmless" districts to increase by the greater of the dollar increase in the basic foundation allowance, or by the rate of inflation applied to the district's foundation. This language is only in effect if legislation is enacted allowing districts to levy sufficient mills to support this calculation.	Does not concur with the House to include this language.
10	Sec. 20(15) Payments for Pupil Growth Greater than 1%	Language that requires a GF/GP allocation sufficient to support pupil membership growth in excess of 101% of the previous year membership.	Concurs with Governor to delete the section.	Retains current law.	Concurs with the House to retain current law.

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
11	NEW Sec. 20(19) Class Size Reduction Grants Rolled Into Foundation Allowances	N/A	The Senate adds a new subsection providing for Class Size Reduction grants awarded under Sec. 32e in FY 2001-02 to be rolled in to base foundation allowance funding for the 26 recipient districts beginning in FY 2002-03.	Not included.	Concurs with Senate. A technical change is made to adjust foundation allowances one-time, rather than yearly.
12	NEW Sec. 21 Declining Enrollment Study	N/A	N/A	States the intent of the House Appropriations Subcommittee on K-12 to develop a long-term solution to the problem of declining enrollment in small districts.	Does not concur with the House to include this section.
13	NEW Sec. 22 School Consolidation Grant	N/A	N/A	Allocates \$1,000,000 for FY 2002-03 for payments of \$350 per-pupil for each pupil in membership in a district which is the result of consolidation of 2 or more districts before December 31 of a fiscal year.	Amends the calculation of the foundation allowance for districts that consolidate after June 1, 2002 to be \$50 per-pupil above the highest foundation allowance of the consolidating districts, capped at the "hold-harmless" state maximum. This change is moved from Sec. 22 to Sec. 20(10).

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
14	Sec. 22a Proposal A Obligation Payment	<p>Provides appropriations sufficient to meet the State's Constitutional obligation of funding districts' foundation allowances at FY 1994-95 levels.</p> <p>FY 2001-02 appropriation of \$7,042,100,000.</p> <p>FY 2002-03 appropriation of \$6,956,000,000.</p> <p>\$3.1 million of the total \$4.3 million cost for "declining enrollments" membership grants (Sec. 6(4)(y)) is included in the FY 2001-02 total appropriation.</p> <p>Language is included in this section to allow for transfers between sections 22a, 22b, and 51c to fully fund the sections.</p>	<p>Concurs with Governor for the FY 2001-02 appropriation of \$7,018,000,000.</p> <p>FY 2002-03 appropriation is reduced from the Governor's appropriation by \$15,000,000 to \$6,951,000,000 to help fund other items included in the proposal.</p> <p>(The Executive budget had included a \$30 million "cushion" for unanticipated pupil and/or taxable value changes; the Senate reduced this "cushion" by \$15 million.)</p>	<p>Concurs with Senate.</p> <p>FY 2002-03 appropriation is reduced by \$16,800,000 to \$6,949,200,000 to help fund other items included in the proposal. (Leaves a "cushion" of roughly \$8-\$9 million.)</p> <p>Includes \$4,200,000 in funding for declining enrollment districts under Sec. 6(4)(y).</p>	<p>FY 2001-02 appropriation is increased by \$4,000,000 to cover anticipated costs.</p> <p>FY 2002-03 appropriation is reduced from the Governor's appropriation by \$13,000,000. This leaves a "cushion" of \$10,000,000 in this line item.</p> <p>Includes \$2,500,000 in funding for Lower Peninsula districts under Sec. 6(4)(y) for FY 2002-03. Also includes \$1,000,000 in case districts consolidate and are provided a higher foundation allowance under Sec. 20(10).</p>

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
15	Sec. 22b Discretionary Payment	<p>Provides additional funding comprising foundation allowance payments beyond FY 1994-95 levels, special education hold harmless payments, and portions of other special education payments.</p> <p>FY 2001-02 appropriation of \$2,377,200,000.</p> <p>FY 2002-03 appropriation of \$2,845,000,000.</p> <p>\$1.2 million of the total \$4.3 million cost for "declining enrollments" membership grants (Sec. 6(4)(y)) is included in the FY 2001-02 total appropriation.</p> <p>Language is included in this section to allow for transfers between sections 22a, 22b, and 51c to fully fund the sections.</p> <p>In order to receive this section's funding, districts are required to test children for basic skills in grades 1-5, but can use the Michigan Literacy Progress Profile to assess children in grades 1-3, or another Department-approved test.</p>	<p>Concurs with Governor for FY 2001-02 appropriation of \$2,368,000,000.</p> <p>FY 2002-03 appropriation is increased by \$26,650,000 over the Executive budget to \$2,864,650,000, so that the payments to districts receiving payments under former Section 32e can be rolled into the district's foundation allowance base.</p>	<p>Concurs with Senate for FY 2001-02.</p> <p>FY 2002-03 appropriation is reduced by \$5,200,000 from current law.</p> <p>FY 2002-03 appropriation includes \$1,800,000 in funding for declining enrollment districts under Sec. 6(4)(y).</p> <p>Does NOT concur with the Senate to roll-in Class Size Reduction grants into districts' foundation allowances.</p>	<p>Funding to support the rolled-in class size grants is included.</p> <p>Several subsections are added regarding litigation:</p> <p>(4) Requires the Department to pay for litigation costs out of discretionary funds, up to \$1,000,000.</p> <p>(5) Allows the State Budget Director to escrow or allocate funds from this section to satisfy the amount that may be owed prior to making standard discretionary payments. Also allows for escrowed funds to be set up as work projects.</p> <p>(6) If the state is found to be in violation of the Headlee amendment, requires the State Budget Director to make payments out of this section or escrowed funds to satisfy the amount owed.</p> <p>(7) Allows for interested parties to seek expedited reviews, allows the state to have the right to remove the action to the Court of Appeals.</p> <p>(9) Allows the State to set aside 50% of lapsed funds for Medicaid Title XIX lawsuits, and to stop future Medicaid Title XIX reimbursements if sued.</p>

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
16	Sec. 24 Court-Placed Pupils	Appropriates \$8,400,000 in FY 2001-02 and \$8,900,000 in FY 2002-03 to reimburse districts 100% of the costs associated with educating court-placed pupils.	No change.	<p>Intent language is added requiring a study of membership problems inherent in the operation of a public school academy within a juvenile detention facility.</p> <p>Includes language encouraging districts and intermediate districts to enter into arrangements with juvenile detention facilities or child caring institutions to provide educational services for pupils described in this section.</p>	Does not concur with the House to include these two intent language sections.
17	Sec 31a(1) At-Risk Funding	<p>Allocates funding to districts to provide additional services to at-risk students. Funding is based upon the number of pupils in membership who meet the income eligibility requirements for free breakfast, milk, or lunch.</p> <p>FY 2001-02 appropriation of \$314,200,000.</p> <p>FY 2002-03 appropriation of \$319,095,200.</p>	<p>Does not concur with the Governor to earmark funds for school health clinics.</p> <p>Concurs with Governor for the FY 2001-02 and FY 2002-03 appropriation of \$314,200,000.</p>	<p>Transfers \$3,500,000 in FY 2001-02 funding to FY 2002-03.</p> <p>Restores all references to school health clinics.</p> <p>Allocates \$2,400,000 in FY 2001-02 to support teen health centers, with funds distributed in a manner approved by the Department of Education in collaboration with the DCH.</p>	<p>Funds teen health centers at \$2,400,000 for FY 2001-02 and \$3,743,000 for FY 2002-03. This will fund all teen health centers through the rest of the current fiscal year, and in FY 2002-03.</p> <p>Allows any lapsing funds to carry forward and be used to minimize proration under this section.</p> <p>Appropriates \$314,200,000 each fiscal year 2001-02 and 2002-03.</p>
18	Sec. 31a(12) Dearborn Schools Eligible for At-Risk Funds	Allows the Dearborn Schools to receive At-Risk funds at 5.75% of their foundation allowance, multiplied by the number of kids eligible for free lunch.	No change.	Increases the percentage that Dearborn Schools would receive for At-Risk funds to 11.5% beginning in FY 2002-03, at an estimated cost of \$2,500,000.	Concurs with the House.

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
19	Sec. 32a ASAP	Establishes the All Students Achieve Program, which sums the appropriations in Sections 32a through 32h.	Concurs with Governor to repeal the section.	Does NOT repeal this section, and instead sums the allocations in FYs 2001-02 and 2002-03.	Concurs with House.
20	Sec. 32b Parent Involvement and Education	Appropriates \$45,100,000 in FY 2001-02 to districts or ISDs for programs to assist parents with parenting skills through a community-school-home partnership.	Concurs with Governor to repeal the section.	Does NOT repeal this section, and instead adds a subsection allowing grant recipients to carry forward this funding until it is all expended (rather than 1 yr).	Concurs with House.
21	Sec. 32c Interagency Early Childhood Grants	Appropriates \$2,000,000 in FY 2001-02 to provide grants for community-based collaborative prevention services designed to foster positive parenting skills.	Concurs with Governor to repeal the section.	Does NOT repeal this section, and instead extends funding into FY 2002-03 at \$2,000,000.	Concurs with House.
22	Sec. 32e Class Size	Provides for the class size reduction program. Appropriates \$26,650,000 in FYs 2001-02 and 2002-03.	Concurs with Governor to repeal the section.	Does NOT repeal the section, and instead extends funding into FY 2002-03 at \$26,650,000.	Concurs with the Senate not to include this section, since these grants are rolled-in to base foundation allowances and paid under Sec. 22b.

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23	Sec. 32f Reading Improvement Program Grants	<p>Funding is allocated as follows:</p> <p><u>Competitive Grants:</u> For FY 2001-02, \$43 million is allocated.</p> <p><u>MLPP</u> For the eight MLPP training centers, funding is \$2 million for FY 2001-02.</p> <p>Language is included which states that if Federal reading program funds are awarded to the State for substantially similar purposes as this program, then the Federal grant shall be expended for purposes in this section before any School Aid Fund dollars.</p>	Concurs with Governor to repeal the section.	<p>Does NOT repeal the section, but also does not extend funding into FY 2002-03.</p> <p>Allows districts to indefinitely carry forward funding received under this section.</p>	Concurs with House.
24	Sec. 32h Coordinating Counseling Services	N/A	N/A	Reinstates this section that was previously repealed, which provides funding to districts to promote counseling services or provide tuition grants for employees pursuing counseling degrees. The appropriation is \$1,000 for FY 2002-03.	Does not concur with the House, and repeals the section upon the effective date of the bill.

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
25	NEW Sec. 32i Intent Language to Fund Certain ASAP Programs	N/A	Adds intent language stating that if the May 2002 Consensus Revenue Estimating Conference determines that there are additional SAF funds available than were determined at the January 2002 Conference, it is the intent of the Legislature to appropriate the additional funds, to the extent available, to former Sections 32b (PIE), 32c (Interagency Early Childhood Grants), and 32d(3) (Full-day wrap-around School Readiness programs).	Concurs with Senate, but includes Sec. 32f (Reading Grants and MLPP training centers) in the list of priority programs.	Concurs with House.

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26	NEW Sec. 34 Teen Health Centers	N/A	<p>Moves the language recommended by the Governor in Section 31a(6) to this new Section and appropriates the funds from the General Fund rather than the SAF.</p> <p>Funding for FY 2001-02 is to support ongoing programs.</p> <p>Funding for FY 2002-03 will be granted on a competitive grant basis and shall be awarded in a form and manner approved jointly by the Department of Education and the Department of Community Health.</p> <p>FY 2001-02 appropriation of \$1,400,000.</p> <p>FY 2002-03 appropriation of \$3,743,000.</p>	Does NOT concur with the Senate to include this new section.	Concurs with House not to include the section. Instead, these centers are funded within the At-Risk section.
26a	NEW Sec. 39a (1) and (2) Federal Grants	N/A	The Senate concurred with the Executive to include all but five Federal grants previously appropriated in the Department of Education bill. Total funding under this section for FY 2002-03 was \$657,933,500.	The House concurred with the Senate.	Several Federal grants were adjusted to reflect revised estimates of funding, and to partially accommodate Federal appropriations in Sections 94a and 98.
27	NEW Sec. 39a(4) Targeting Use of Federal Funds	N/A	N/A	Includes new subsection directing that Federal funds be used to the extent possible to support programs under Sections 32b (PIE), 32e (class size), 32f (reading), and 32h (counseling services).	Does not concur with the House to include the section.

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
28	Sec. 51a Special Education	Provides funding for special education pupils and programs. FY 2001-02 appropriation of \$794,821,900 SAF and \$203,000,000 in Federal Funds. FY 2002-03 appropriation of \$848,661,900 SAF and \$235,000,000 in Federal Funds.	Concurs with Governor but revises cost estimates based on the latest data. FY 2001-02 appropriation of \$796,401,900 SAF and \$203,000,000 in Federal Funds. FY 2002-03 appropriation of \$852,721,900 SAF and \$235,000,000 in Federal Funds. New language is also added to clarify that Federal special education funds must be distributed in accordance with Federal law and with Federal flexibility guidelines.	Concurs with Senate, but adds a technical change stating that additional Federal special education funds in excess of those allocated in FY 2001-02 may be distributed in accordance with the Individuals with Disabilities Education Act.	Concurs with House.
29	NEW Sec. 55 Autism Grants	N/A	Adds language appropriating \$500,000 for FY 2002-03 to the West Michigan Center for Autism Spectrum Disorders located at Grand Valley State University for developing cooperative programs with area districts and ISDs.	Concurs with Senate, but reduces the appropriation to \$1,000.	Concurs with Senate to fund this program at \$500,000.
30	NEW Sec. 92 Costs of Contaminated Water	N/A	N/A	Allocates \$10,000 for FY 2002-03 to reimburse a district that has been determined by DEQ to have contaminated drinking water, for costs incurred by the district due to the contamination. This section would reimburse the Coloma Schools.	Does not concur with House to include this section.

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31	NEW Sec. 93 Wireless Technology	N/A	N/A	Allocates \$500 for pilot projects for developing ways to use wireless technology to improve academic achievement. Allocates another \$500 to the Interactive Communications and Simulations Group of the University of Michigan School of Education to integrate civics with technology in public schools.	Does not concur with the House to include this section. Instead, some of the wireless technology provisions are incorporated into the Michigan Virtual University section, Sec. 98.
32	Sec. 94 School Accreditation Assistance	FY 2001-02 appropriation of \$3,000,000 to the Department to provide technical assistance to districts for school accreditation purposes. FY 2002-03 funding of \$5,000,000 was vetoed in P.A. 121 of 2001.	Concurs with Governor to restore FY 2002-03 funding, but at \$3,000,000.	Reduces the FY 2002-03 funding to \$1,500,000.	Allocates \$2,000,000 for FY 2002-03.

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
33	<p>NEW</p> <p>Sec. 94a(3), (4), (5)</p> <p>Pupil Count Data Sub-Mission to CEPI</p>	N/A	<p>Adds three subsections outlining provisions to be followed by the CEPI for pupil count submissions by districts and ISDs.</p> <p>Subsection 3 provides that districts and ISDs may submit their February, 2002 supplemental pupil counts using either the single record student database (SRSD) system or a parallel submission using both the SRSD system and the education data network (EDN) system. If a district uses the parallel submission process, the CEPI shall use the data that results in the higher audited pupil count.</p> <p>Subsection 4 provides that the CEPI must give ample opportunity for districts or ISDs to submit corrections or adjustments to their submitted pupil count data before the CEPI makes a final determination from the data that are used in making payment calculations.</p> <p>Subsection 5 adds language that does not require a district or ISD to submit pupil count data using the SRSD system until they have received reimbursement from the CEPI provided for in subsection 2.</p>	Concurs with Senate.	<p>The Conference Report replaces this section entirely with new authorization language for CEPI, including responsibilities, advisory committees, and appropriations. Sections 94b, 94c and 94d and these subsections are eliminated as part of the overall resolution to this issue.</p> <p>(1) Creates the CEPI within the Office of the State Budget Director, and lists responsibilities.</p> <p>(2) Requires the State Budget Director to appoint a CEPI advisory committee.</p> <p>(3) Lists the subjects on which the advisory committee will research.</p> <p>(4) Allows the CEPI to enter into interlocal agreements.</p> <p>(5) Appropriates FY 2002-03 State funding for CEPI (\$4.5 million) and includes new Federal funding (\$2,357,550).</p> <p>(6) Allows carry forward of funds, and requires a payment of \$2.00 per pupil to ISDs and constituent districts for SRSD costs.</p> <p>(7) Allows Feb./Sept. 2002 counts to be sent using the EDN if non-auditable.</p>

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34	NEW Sec. 94b Registry of Education Personnel	N/A	N/A	Prohibits the CEPI from collecting any information that is in addition to the information already required to be collected by the Federal government as of June 1, 2002 for the Registry of Education Personnel (FTE). Allows districts NOT to file the REP report until after the Federal rules are published.	Does not include this section.
35	NEW Sec. 94c Single Record Student Database Cost Reimburse- ment	N/A	N/A	Mandates the CEPI to pay districts \$2.00 per FTE for reimbursement of costs incurred from implementing the Single Record Student Database. Requires the CEPI to reimburse districts for the costs of implementing the REP at \$2.00 per employee inputted. Payments shall be made on the first payment date after the effective date of this section.	Does not include this section.
36	NEW Sec. 94d CEPI Reports	N/A	N/A	Requires that reports issued by CEPI or by groups contracted by CEPI (e.g., Standard and Poor's) to be provided to districts and ISDs before being released to the public or media.	Does not include this section.

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37	Sec. 96 Golden Apple Awards	Appropriation of \$800,000 in FY 2001-02 for awards to employees of elementary schools that have high or improving MEAP scores. (Executive Order 2001-9 reduced enacted funding levels from \$8,000,000 to \$800,000.)	Does not concur with the Governor to appropriate the program at \$1,320,000 for FY 2002-03 (\$10,000 award per building). Instead, the Senate appropriates \$132,000 in FY 2002-03, or \$1,000 per building.	Concurs with the Senate.	The Conference Report restores the funding at \$1,320,000, or a \$10,000 award per eligible building.
37a	Sec. 98 Michigan Virtual University	Appropriates \$1,500,000 for FY 2001-02 for the continuing operations of the university (FY 2002-03 funding was vetoed in P.A. 121 of 2001).	The Senate concurs with the Governor to extend funding for the university into FY 2002-03.	Concurs with Senate.	Appropriates \$5,000,000 to the MVU in FY 2002-03 for the operations of the university, and \$3,500,000 of this shall be allocated for developing innovative strategies to use wireless technology to improve student achievement. No more than 5 pilot sites shall be established, with at least one in the Upper Peninsula. Also appropriates a total of \$6,584,700 in Federal funds to the MVU. The State Education Agency must sign a memorandum of understanding with MVU requiring the MVU to coordinate activities in accordance with Federal law aligned with each Federal grant funding source.
38	Sec. 101 Provisions Governing State Aid - Days/Hours; Membership Counts	States the minimum number of instructional days and hours to receive State Aid. Limits the hours of cooperative education travel time that can be counted as hours of pupil instruction to 2 ½ hours per week.	No change.	Eliminates the maximum number of travel hours that can be counted as pupil instruction hours. Requires districts to provide documentation of actual travel time for applicable pupils to the ISD.	Changes the limit on travel time counted as hours of pupil instruction from 2 ½ hours per week to 3 hours per week.

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
39	Sec. 105 (17) and NEW (18-20) 90% Pupil Membership Guarantee	Provides language stating that a district whose membership is less than 90% of the pupils who reside in the district shall receive a foundation allowance payment based on its membership being 90% of the pupils who reside in the district but who are enrolled in another district.	Retains current law.	Amends current law by reducing the 90% floor to 70% in FY 2002-03 and 50% beginning in FY 2003-04. Prohibits districts from receiving funding under this section and additional funding under Sec. 6(4)(y). Allows only districts who have previously received additional funding under this section to continue to be eligible.	Amends this section to phase out this pupil membership adjustment clause. Districts that receive Sec. 105 or 105c pupil adjustments under a new subsection (18) in FY 2002-03 would receive 75% of the corresponding funding adjustment in FY 2002-03, 50% of the funding adjustment for FY 2003-04, and 25% of the funding adjustment for FY 2004-05. The funding adjustments would stop in FY 2005-06.
40	Sec. 107 Adult Education	Appropriates \$75,000,000 in FY 2001-02. The FY 2002-03 appropriation had been vetoed in P.A. 121 of 2001.	Senate does not concur with the Governor to extend the \$75,000,000 appropriation into FY 2002-03, but instead increases the appropriation to \$80,000,000.	Concurs with the Senate.	Appropriates \$75,000,000 in FY 2001-02 and \$77,500,000 in FY 2002-03.
41	Sec. 108 Partnership for Adult Learning	Appropriates \$20,000,000 GF/GP in FY 2001-02 only for funding for the PAL.	Reduces FY 2002-03 appropriation by \$15,000,000 to \$5,000,000.	Allocates \$20,000,000 to this program in both FY 2001-02 and FY 2002-03.	Concurs with the House.
42	Sec. 147 Retirement Rate	Estimates the FY 2001-02 payroll contribution rate to the public school employees' retirement system at 12.17%.	No change.	No change.	Includes an estimated FY 2002-03 contribution rate of 12.99%.
43	Several Sections	N/A	N/A	Removes section-specific penalties facing districts for non-compliance with those sections of the Act (e.g., reporting requirements). Sections affected include 8, 18, 19, 31a, and 101.	Does not concur with the House to remove these penalties.

ITEM	SECTION	CURRENT LAW	SENATE	HOUSE	CONFERENCE REPORT
44	Repealers	N/A	<p>Concurs with Governor to repeal Sections 32g, 32h, 63 (MI Manufacturing Tech.), 95 (Prof. Development), 97 (Teacher Tech. - laptops), 164c (Buy American), and 166d (Abortion Services) upon the effective date of the bill.</p> <p>Concurs with Governor to repeal Sections 22c (Equity Payment), 32a, 32b, 32c, 32e, 32f, and 33 (Detroit Supplemental) effective October 1, 2002.</p>	<p>Concurs with Governor, but retains sections 32h and 164c.</p> <p>Only repeals Sec. 22c and Sec. 33, effective October 1, 2002.</p>	<p>Repeals Sections 32g, 32h, 63, 95, 97, 166d upon the effective date of the bill.</p> <p>Concurs with the House to repeal Sections 22c, 32e, and 33 effective October 1, 2002.</p>